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DEPARTMENT FOR WHA/CEN  
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E.O. 12958: DECL: 01/06/2016  
TAGS: [PGOV](#) [EAGR](#) [EFIN](#) [PM](#)  
SUBJECT: EXIT INTERVIEW WITH FORMER PANAMANIAN PRESIDENTIAL  
SECRETARY FOR GOALS AND PLANNING EBRAHIM ASVAT

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Classified By: DEPUTY CHIEF OF MISSION LUIS ARREAGA FOR REASONS 1.4 (B)  
AND (D).

SUMMARY

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[¶1.](#) (C) Former Secretary for Planning and Goals Ebrahim Asvat commented on President Torrijos's leadership style, the possibility of an early 2006 cabinet shakeup, and the timing of a future Canal referendum in a December meeting with POL Counselor. Always outspoken and provocative, the bespeckled, goateed Asvat termed cabinet meetings "chaotic," bemoaned the lack of a chief of staff to impose order and to screen, evaluate, and prioritize issues, and complained about the slowness of Torrijos's decisionmaking. Asvat pointed out that Torrijos does not have adequate staff support or advice and thus, paradoxically, has no "leisure" (despite his slowness) to consider issues adequately before he must act. But, as Asvat points out, Torrijos himself is the one who imposes that style and that structure (or lack of structure). Apparently back in his old job as president/editor of the news tabloid El Siglo, Asvat quit his unpaid post as Secretary for Planning and Goals on November 21, complaining

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of lack of support from President Torrijos, an old gripe.  
End summary.

Canal Referendum

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[¶2.](#) (C) In a December 2005 meeting with POL Counselor, Asvat predicted a Canal referendum would not take place before November or December 2006 or, more likely, sometime in 2007. "This is not a group that likes to take decisions rapidly," he pointed out.

"My Friends, Right or Wrong"

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[¶3.](#) (C) Asvat summed up Torrijos's attitude to high government appointments as "my friends right or wrong." Torrijos wants his friends in government with him but he is less concerned about paying attention to whether they are doing a good job or potentially breaking the law, Asvat asserted. (Comment: Torrijos's remarkable, some would say

exaggerated, commitment to close, personal associates, who include many U.S. educated technocrats, like himself, is a two-edged sword. It chips away at the credit he brought himself by marginalizing the PRD "old guard." End comment.)

#### Cabinet Shakeup?

14. (C) Asvat said that he expects a cabinet shakeup early in 2006. The likely victims: Minister of Economy and Finance Catin Vasquez, Agriculture Minister Laurentino Cortizo, and Tourism Minister Ruben Blades. Asvat termed Ag Minister Cortizo's expected departure "long overdue." (Comment: Cortizo has proved more inimical to U.S. agriculture exports than any agriculture minister in living memory. End Comment.) Asvat claimed that Torrijos had wanted to ax Vasquez in September 2005 but the timing was inconvenient because Vasquez then was lobbying hard for the Canal Administrator job. (Comment: Possibly the cabinet's most brilliant technocrat if not its most adroit politician, Vasquez took a lot of public heat, whether deserved or not, in May-June 2005 for operating the "heartless computer" that produced the now-rejected social security reform bill. Vasquez followed that performance with a highly visible lobbying campaign (that visibly annoyed Torrijos) to unseat Canal Administrator Alberto Aleman. Despite his efforts, the ACP Board confirmed Aleman to a second seven-year term in November 2005. End Comment.)

#### Asvat To Tourism?

15. (C) Asvat claimed that Torrijos met with him after his resignation and said that he might name him Tourism Minister, at the expense of current Minister Ruben Blades. Asvat has clear ideas about what he would do as tourism minister. A Harvard grad, Asvat is keen to use market mechanisms to raise Panama's standard of living. He pushes the idea that investment in mass tourism projects plays to Panama's natural endowments of deserted coastlines and tens of thousands of eager, unemployed or semi-employed workers. Tourism is one of the few potential mass job-creating engines available to Panama, he claimed. Asvat also underscored Panama's boom in "residential tourism" -- as hundreds of U.S., Canadian, and European snow birds are snapping up relatively cheap (compared with U.S. prices) beach front and condo properties.

#### No Leisure, No Support

16. (C) Asvat claimed that President Torrijos does not have the "leisure" to ponder important matters and he does not have a staff to advise him on what decisions to make. An example was a call he got from Vice President/Foreign Minister Samuel Lewis in early December asking for advice on what to do about the revocation of Supreme Court magistrate Winston Spadafora's U.S. visa. There is no gate keeper at the Presidency, Asvat continued, no official filtering process, no chief of staff to impose order and discipline. Ministerial meetings are (predictably) chaotic. Anyone can say or propose anything. Nothing is vetted beforehand, so no one can tell what interests underlie a particular proposal. One example: a proposed casino in Santiago, two hours west of Panama City, about the least touristy town imaginable, Asvat said. No one criticizes anyone else's proposals, to avoid having their own ideas criticized. On top of that, the Presidency has no or almost no public relations/information capability, no way to explain ideas to the public, Asvat complained. Asvat attributes the lack of structure to Torrijos and his preferences for how he wants to organize (or not) the Presidency.

#### Comment

17. (C) Asvat once predicted that Torrijos would make him his public relations chief, which never happened. Although Asvat's predictions about a ministry for himself must be viewed with caution, other Embassy sources have heard similar rumors about Vasquez and Cortizo. As for how Torrijos runs (or fails to run) day-to-day operations at the Palace, his habits by now probably are too ingrained to be susceptible to

change. A January 1 La Prensa article quoted Asvat as saying that the Panamanian people mainly would judge the Torrijos government in three areas: job creation, security, and fighting corruption.

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